



# DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

## Board of Directors

*DC Retail Water and Sewer Rates Committee*

*Monday, February 24, 2025  
9:30 a.m.*

## Microsoft Teams

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- 1. **Call to Order** ..... **Rachna Bhatt, Chairperson**
- 2. **Roll Call**..... **Michelle Rhodd**
- 3. [Monthly Report to DC Retail Water & Sewer Rates Committee \(Attachment A\)](#) ..... **Matthew Brown**
- 4. [The Revised FY 2025 and Proposed FY 2026 Budget \(Attachment B\)](#) ..... **Matthew Brown**
- 5. [Action Item \(Attachment C\)](#)..... **Matthew Brown**
  - Proposal of Ten-Year Financial Plan FY 2025 – FY 2034 (Action Item 1)
- 6. [DC Retail Water and Sewer Rates Committee Workplan \(Attachment D\)](#) ..... **Matthew Brown**
  - FY 2025 Proposed DC Retail Rates Committee Workplan
- 7. [Agenda for March 25, 2025, Committee Meeting \(Attachment E\)](#) ..... **Rachna Bhatt, Chairperson**
- 8. **Other Business**..... **Matthew Brown**
- 9. **Executive Session\***..... **Rachna Bhatt, Chairperson**
- 10. **Adjournment**..... **Rachna Bhatt, Chairperson**

*This meeting is governed by the Open Meetings Act. Please address any questions or complaints arising under this meeting to the Office of Open Government at [opengovoffice@dc.gov](mailto:opengovoffice@dc.gov)*

\*The DC Water Board of Directors may go into executive session at this meeting pursuant to the District of Columbia Open Meetings Act of 2010, if such action is approved by a majority vote of the Board members who constitute a quorum to discuss: matters prohibited from public disclosure pursuant to a court order or law under D.C. Official Code § 2-575(b)(1); contract negotiations under D.C. Official Code § 2-575(b)(2); legal, confidential or privileged matters under D.C. Official Code § 2-575(b)(4)(A); collective bargaining negotiations under D.C. Official Code § 2-575(b)(5); facility security under D.C. Official Code § 2-575(b)(8); disciplinary matters under D.C. Official Code § 2-575(b)(9); personnel matters under D.C. Official Code § 2- 575(b)(10); proprietary matters under D.C. Official Code § 2-575(b)(11); train and develop members of a public body and staff under D.C. Official Codes § 2-575(b)(12); decision in an adjudication action under D.C. Official Code § 2-575(b)(13); civil or criminal matters where disclosure to the public may harm the investigation under D.C. Official Code § 2-575(b)(14), and other matters provided in the Act.

**ATTACHMENT A**



Fiscal Year 2025

# Monthly Report to DC Retail Water and Sewer Rates Committee

Period Ending January 31, 2025

**DEPARTMENT OF FINANCE**

**Matthew T. Brown**, CFO & Executive Vice President, Finance, Procurement and Compliance

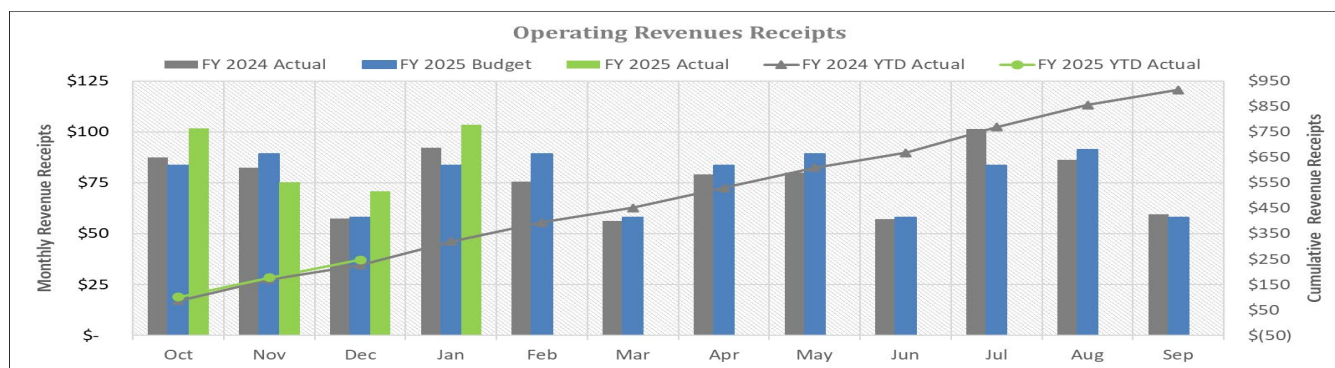
**Syed Khalil**, Vice President, Rates & Revenue

## Monthly Report to DC Retail Water and Sewer Rates Committee

Fiscal Year-to-Date  
As of January 31, 2025

### Operating Revenues (\$000's)

FY 2024		CATEGORY	FY 2025					
Actual			Year-to-Date Performance					
Total Annual	YTD January		Annual Budget	YTD Budget	Actual	% of Budget	Variance \$ Fav(Unfav)	Variance % Fav(Unfav)
\$532,156	\$180,476	Residential / Commercial / Multi-Family*	\$533,758	\$177,918	\$189,102	35.4%	\$11,184	6.3%
91,338	46,994	Federal	91,696	45,848	46,773	51.0%	925	2.0%
24,739	8,091	Municipal (DC Govt.)	24,612	8,204	9,064	36.8%	860	10.5%
16,358	5,628	DC Housing Authority	16,777	5,593	5,304	31.6%	(289)	(5.2%)
24,439	8,434	Metering Fee	24,083	8,284	8,382	34.8%	98	1.2%
43,192	15,405	Water System Replacement Fee (WSRF)	40,717	14,517	15,335	37.7%	818	5.6%
106,757	29,118	Wholesale	114,248	28,562	40,785	35.7%	12,223	42.8%
25,601	8,845	PILOT/ROW	23,813	8,410	8,964	37.6%	554	6.6%
50,291	16,402	All Other	56,557	17,284	27,344	48.3%	10,060	58.2%
<b>\$914,871</b>	<b>\$319,394</b>	<b>TOTAL</b>	<b>\$926,261</b>	<b>\$314,620</b>	<b>\$351,053</b>	<b>37.9%</b>	<b>\$36,433</b>	<b>11.6%</b>



At the end of January 2025, cash receipts totaled \$351.1 million, or 37.9 percent of the FY 2025 Budget. The YTD budgeted receipts were \$314.6 million. Several categories of customers make payments on a quarterly basis, including the Federal Government (which made their second quarterly payment in January 2025), and wholesale customers (which made their first quarterly payment in November 2024).

<b>Favorable</b>	<b>Unfavorable</b>
<p><b><u>Residential, Commercial, and Multi-Family</u></b> – Receipts for this category are favorable at \$189.1 million or 35.4 percent of the budget. The higher receipts are partly due to higher consumption and CRIAC in the Residential, Commercial and Multi-family categories as compared to the budget. The January 2025 receipts were lower by \$2.2 million, as compared to the monthly budget of \$44.5 million.</p> <p><b><u>Federal</u></b> - Actual receipts through January 2025 totaled \$46.8 million or 51.0 percent of the budget. The Federal government made its second quarter payment in January 2025.</p> <p><b><u>District Government</u></b> – Receipts are higher at \$9.1 million or 36.8 percent of the budget. The \$0.9 million favorable variance is mainly due to higher consumption in September 2024 resulting in higher receipts in October 2024 (FY 2025).</p> <p><b><u>Wholesale</u></b> – At the end of January 31, 2025, the actual receipts for this category totaled \$40.8 million or 35.7 percent of the budget. The higher receipts are mainly due to the early quarterly payments made by Fairfax (\$4.4 million) and Loudon County (\$2.2 million) in January instead of the scheduled payment in February 2025. PI customers made their first quarter payment of \$0.5 million. The receipts also include contribution from Blue Drop (i.e. RECs, Bloom, etc.) for the IMA Wholesale Customers (\$5.6 million). The Blue Drop contribution to PIs was \$1.0 million.</p> <p><b><u>PILOT/ROW</u></b> – The receipts for PILOT/ROW are favorable at \$9.0 million or 37.6 percent of the budget. January 2025 receipts are at \$2.5 million, which is slightly higher by fifty-nine thousand dollars.</p> <p><b><u>Other Revenue</u></b> – Receipts are higher at \$27.3 million or 48.3 percent of the budget mainly due to higher DC Fire Protection Fee, Interest Earnings, and Washington Aqueduct Backwash. The District has paid early \$4.4 million Fire Protection Fee in January instead of scheduled payment in February 2024. The receipts also include Blue Drop contribution of District’s share of \$4.9 million.</p>	<p><b><u>DC Housing Authority</u></b> – Receipts are lower at \$5.3 million or 31.6 percent of the budget. The \$0.3 million unfavorable variance is due to slightly lower consumption as compared to the budget.</p>

## Monthly Report to DC Retail Water and Sewer Rates Committee

As of January 31, 2025  
(\$ in millions)

Revenue Category	FY 2025 Budget	YTD Budget	Actual	Variance Favorable / (Unfavorable)	Actual % of Budget
Residential, Commercial, and Multi-family	\$533.8	\$177.9	\$189.1	\$11.2	6.3%
Federal	\$91.7	\$45.8	\$46.8	\$1.0	1.9%
District Government	\$24.6	\$8.2	\$9.1	\$0.9	10.5%
DC Housing Authority	\$16.8	\$5.6	\$5.3	(\$0.3)	-5.2%
Customer Metering Fee	\$24.1	\$8.3	\$8.4	\$0.1	1.2%
Water System Replacement Fee (WSRF)	\$40.7	\$14.5	\$15.3	\$0.8	5.6%
Wholesale	\$114.2	\$28.6	\$40.7	\$12.1	42.5%
Right-of-Way Fee/PILOT	\$23.8	\$8.4	\$9.0	\$0.6	6.7%
<b>Subtotal (before Other Revenues)</b>	<b>\$869.7</b>	<b>\$297.4</b>	<b>\$323.7</b>	<b>\$26.3</b>	<b>8.8%</b>
IMA Indirect Cost Reimb. For Capital Projects	7.2	2.4	2.2	(0.2)	-8.4%
DC Fire Protection Fee	10.8	2.7	8.8	6.1	225.9%
Stormwater (MS4)	1.1	0.4	0.3	(0.1)	-27.2%
Interest	9.5	3.1	4.9	1.8	58.7%
Developer Fees (Water & Sewer)	9.0	3.0	2.3	(0.7)	-23.3%
System Availability Fee (SAF)	7.7	2.6	1.3	(1.3)	-50.6%
Washington Aqueduct Backwash	2.6	0.9	1.2	0.3	34.6%
Others	6.7	2.2	6.4	4.2	188.3%
<b>Subtotal</b>	<b>\$54.6</b>	<b>\$17.3</b>	<b>27.4</b>	<b>\$10.0</b>	<b>57.7%</b>
Rate Stabilization Fund Transfer	\$2.0	\$0.0	\$0.0	\$0.0	0.0%
<b>Other Revenue Subtotal</b>	<b>\$56.6</b>	<b>\$17.3</b>	<b>\$27.4</b>	<b>\$10.0</b>	<b>57.7%</b>
<b>Grand Total</b>	<b>\$926.3</b>	<b>\$314.6</b>	<b>\$351.1</b>	<b>\$36.5</b>	<b>11.6%</b>

### BREAKDOWN OF RETAIL RECEIPTS BY CUSTOMER CATEGORY (\$ in 000's)

Customer Category	Water	Sewer	Clean Rivers			Total
			IAC	Metering Fee	WSRF	
Residential	\$15,986	\$25,215	\$10,087	\$3,627	\$3,284	\$58,198
Commercial	31,456	35,614	12,225	2,409	5,673	87,377
Multi-family	21,192	32,595	4,733	1,214	2,723	62,458
Federal	16,872	19,180	10,721	769	2,834	50,376
District Govt	2,576	3,485	3,004	277	685	10,026
DC Housing Authority	1,979	2,932	391	85	136	5,524
<b>Total:</b>	<b>\$90,061</b>	<b>\$119,020</b>	<b>\$41,161</b>	<b>\$8,381</b>	<b>\$15,335</b>	<b>\$273,959</b>

Note: The breakdown of Collections into Residential, Commercial, & Multi-family and Water and sewer is approximate as it is based on percentages of historical data and does not take into account adjustments and timing differences

### Clean Rivers IAC - Actual vs Budget (\$ in 000's)

Customer Category	FY2025 Budget	Year-To-Date Budget	Actual Received	Variance	Variance % of YTD Budget	Actual % of Budget
				Favorable / <Unfavorable>		
Residential	\$28,226	\$9,409	\$10,087	678	7%	36%
Commercial	33,518	11,173	12,225	1,052	9%	36%
Multi-family	13,649	4,550	4,733	183	4%	35%
Federal	21,441	10,721	10,721	0	0%	50%
District Govt	8,988	2,996	3,004	8	0%	33%
DC Housing Authority	1,177	392	391	(1)	0%	33%
<b>Total:</b>	<b>\$106,999</b>	<b>\$39,240</b>	<b>\$41,161</b>	<b>\$1,921</b>	<b>5%</b>	<b>38%</b>

## Monthly Report to DC Retail Water and Sewer Rates Committee

Fiscal Year-to-Date  
As of January 31, 2025

### Retail Accounts Receivable (Delinquent Accounts)

The following tables show retail accounts receivable over 90 days (from the billing date) including a breakdown by customer class.

#### Greater Than 90 Days by Month

	\$ in millions	# of accounts
September 30, 2012	\$5.5	13,063
September 30, 2013	\$4.9	11,920
September 30, 2014	\$5.3	12,442
September 30, 2015	\$6.5	11,981
September 30, 2016	\$7.7	12,406
September 30, 2017	\$8.4	11,526
September 30, 2018	\$13.4	16,273
September 30, 2019	\$10.6	8,744
March 31, 2020	\$12.8	9,933
September 30, 2020	\$17.9	13,775
September 30, 2021	\$26.3	13,065
September 30, 2022	\$29.1	12,168
September 30, 2023	\$28.0	10,420
September 30, 2024	\$33.9	11,832
October 31, 2024	\$34.1	11,815
November 30, 2024	\$35.4	11,854
December 31, 2024	\$36.4	12,161
January 31, 2025	\$35.5	11,709

#### Greater Than 90 Days by Customer

Notes: The temporary suspension of collection procedures in order to carry out the upgrade of the billing system to VertexOne in December 2017 was the cause of the increase in accounts receivable over 90 days (from the billing date) for September 2018. The increase in accounts receivable from March 2020 to September 2022 is primarily due to increased delinquencies and deferred payments due to the impact of COVID-19.

	Number of Accounts			Month of Dec (All Categories)				Total Delinquent				
				Active		Inactive		Dec		Jan		
	W & S	Impervious Only	Total No. of	No. of	Amount	No. of	Amount	No. of	Amount	No. of	Amount	%
a/c	a/c	a/c	a/c	(\$)	a/c	(\$)	a/c	(\$)	a/c	(\$)		
<b>Commercial</b>	8,582	1,884	10,466	927	6,420,971	110	\$507,883	1,069	\$6,999,480	1,037	\$6,928,854	20%
<b>Multi-family</b>	8,946	302	9,248	1,319	18,354,246	56	\$691,854	1,402	\$20,036,706	1,375	\$19,046,100	54%
<b>Single-Family Residential</b>	107,834	1,932	109,766	9,173	9,336,185	124	\$201,345	9,690	\$9,410,630	9,297	\$9,537,530	27%
<b>Total</b>	<b>125,362</b>	<b>4,118</b>	<b>129,480</b>	<b>11,419</b>	<b>\$34,111,403</b>	<b>290</b>	<b>\$1,401,081</b>	<b>12,161</b>	<b>\$36,446,815</b>	<b>11,709</b>	<b>\$35,512,484</b>	<b>100%</b>

Notes: Included in the above \$35.5M (or 11,709 accounts) of the DC Water Over 90 days delinquent accounts, \$4,409,492.82 (or 1,107 accounts) represents Impervious only accounts over 90 days delinquent.  
 -Reportable delinquencies do not include balances associated with a long standing dispute between DC Water and a large commercial customer.  
 -Delinquent accounts (11,709) as a percentage of total accounts (129,480) is 9.0 percent.  
 -Delinquent impervious only accounts (1,107) as a percentage of total accounts (129,480) is 0.9 percent.  
 -Delinquent impervious only accounts (1,107) as a percentage of total delinquent accounts (11,709) are 9.5 percent.  
 -Delinquent impervious only accounts (1,107) as a percentage of total impervious only accounts (4,118) are 26.9 percent

## Monthly Report to DC Retail Water and Sewer Rates Committee

Fiscal Year-to-Date  
As of January 31, 2025

### Customer Arrears Data

#### Arrears by Customer Category:

Category	> 30 Days		> 60 Days		> 90 Days	
	No. of Accounts	Delinquent Amount	No. of Accounts	Delinquent Amount	No. of Accounts	Delinquent Amount
Commercial	2,297	\$11,178,897	1,284	\$7,798,731	1,037	\$6,928,854
Multi Family	2,165	23,935,402	1,593	20,678,215	1,375	19,046,100
Residential	19,392	13,331,480	12,508	10,747,197	9,297	9,537,530
<b>Total</b>	<b>23,854</b>	<b>\$48,445,779</b>	<b>15,385</b>	<b>\$39,224,144</b>	<b>11,709</b>	<b>\$35,512,484</b>

#### Arrears by WARD for Residential Category:

Ward	> 30 Days		> 60 Days		> 90 Days	
	No. of Accounts	Delinquent Amount	No. of Accounts	Delinquent Amount	No. of Accounts	Delinquent Amount
1	1,127	\$754,266	665	\$582,648	497	\$522,201
2	555	231,147	344	171,839	202	134,448
3	640	310,448	318	229,797	210	191,905
4	3,253	2,111,440	1,968	1,560,577	1,373	1,348,497
5	3,922	2,393,685	2,553	1,962,765	1,881	1,717,229
6	1,173	834,012	702	527,746	500	450,349
7	5,575	4,345,194	3,808	3,796,825	2,890	3,409,057
8	3,147	2,351,288	2,150	1,915,000	1,744	1,763,846
<b>Total</b>	<b>19,392</b>	<b>\$13,331,480</b>	<b>12,508</b>	<b>\$10,747,197</b>	<b>9,297</b>	<b>\$9,537,530</b>

#### CAP+, CAP, CAP2 and CAP3 Customers in Arrears\*

Ward	> 30 Days		> 60 Days		> 90 Days	
	No. of Accounts	Delinquent Amount	No. of Accounts	Delinquent Amount	No. of Accounts	Delinquent Amount
CAP+	672	487,163	581	412,410	511	342,653
CAP	465	267,388	379	216,343	305	176,184
CAP2	27	11,536	23	8,928	14	5,821
CAP3	1	160	1	83	0	0
<b>Total</b>	<b>1,165</b>	<b>\$766,247</b>	<b>984</b>	<b>\$637,764</b>	<b>830</b>	<b>\$524,657</b>

\* Based on number of accounts that have been given credit in Jan 2025

#### CAP+ Customer Arrears by Ward\*

Ward	> 30 Days		> 60 Days		> 90 Days	
	No. of Accounts	Delinquent Amount	No. of Accounts	Delinquent Amount	No. of Accounts	Delinquent Amount
1	32	\$28,300	26	\$24,106	24	\$22,267
2	4	2,600	4	2,221	2	1,502
3	4	2,815	4	1,823	3	1,573
4	101	57,505	81	46,579	69	36,871
5	145	106,285	133	88,040	112	71,076
6	31	19,349	24	17,141	22	13,521
7	210	161,116	185	139,369	166	113,946
8	145	109,194	124	93,131	113	81,895
<b>Total</b>	<b>672</b>	<b>\$487,163</b>	<b>581</b>	<b>\$412,410</b>	<b>511</b>	<b>\$342,653</b>

\* Based on number of accounts that have been given credit in Jan2025

## Monthly Report to DC Retail Water and Sewer Rates Committee

Fiscal Year-to-Date  
As of January 31, 2025

### Customer Arrears Data

#### CAP Customer Arrears by Ward\*

Ward	> 30 Days		> 60 Days		> 90 Days	
	No. of Accounts	Delinquent Amount	No. of Accounts	Delinquent Amount	No. of Accounts	Delinquent Amount
1	12	\$7,194	8	\$5,482	5	\$4,948
2	3	4,117	2	3,977	2	3,784
3	2	226	2	197	1	48
4	80	44,125	57	36,511	45	30,018
5	95	58,820	86	48,483	65	40,484
6	16	11,673	14	10,082	10	8,292
7	156	90,972	134	73,855	113	57,132
8	101	50,260	76	37,757	64	31,478
<b>Total</b>	<b>465</b>	<b>\$267,388</b>	<b>379</b>	<b>\$216,343</b>	<b>305</b>	<b>\$176,184</b>

\* Based on number of accounts that have been given credit in Jan2025

#### CAP2 Customer Arrears by Ward\*

Ward	> 30 Days		> 60 Days		> 90 Days	
	No. of Accounts	Delinquent Amount	No. of Accounts	Delinquent Amount	No. of Accounts	Delinquent Amount
1	0	\$0	0	\$0	0	\$0
2	0	0	0	0	0	0
3	0	0	0	0	0	0
4	0	0	0	0	0	0
5	6	1,672	6	1,121	3	826
6	1	261	1	134	0	0
7	13	7,039	11	6,094	7	3,541
8	7	2,563	5	1,579	4	1,453
<b>Total</b>	<b>27</b>	<b>\$11,536</b>	<b>23</b>	<b>\$8,928</b>	<b>14</b>	<b>\$5,821</b>

\* Based on number of accounts that have been given credit in Jan2025

#### CAP3 Customer Arrears by Ward\*

Ward	> 30 Days		> 60 Days		> 90 Days	
	No. of Accounts	Delinquent Amount	No. of Accounts	Delinquent Amount	No. of Accounts	Delinquent Amount
1	0	\$0	0	\$0	0	\$0
2	0	0	0	0	0	0
3	0	0	0	0	0	0
4	0	0	0	0	0	0
5	2	247	1	116	0	0
6	0	0	0	0	0	0
7	0	0	0	0	0	0
8	0	0	0	0	0	0
<b>Total</b>	<b>2</b>	<b>\$247</b>	<b>1</b>	<b>\$116</b>	<b>0</b>	<b>\$0</b>

\* Based on number of accounts that have been given credit in Jan2025

## Monthly Report to DC Retail Water and Sewer Rates Committee

Fiscal Year-to-Date  
As of January 31, 2025

### Developer Deposits

Developer Deposits are funds paid to DC Water for plans that are approved by the Permit Operations Department. They include:

- Flat fees for taps, abandonments, sewer connections, etc.
- Reimbursable estimated fees for inspection labor hours charged to the account.
- Deposits held as security against damage and uncharged accounts.
- Miscellaneous non-commercial account items (hydrant use, groundwater dewatering, waste hauler fees, etc.)
- As of February 11, 2025, developer deposits had \$37.27 million in credit balances (liability) and \$11.01 million in debit balances (receivable).

#### Balances by Year as of February 11, 2025

Credit Balances (Liability)	Debit Balances (Receivables)
\$37.27 million	\$11.01 million

Year	Credit Balances	Number of Accounts with Credit Balances	Debit Balances	Number of Accounts with Debit Balances	Net Balance
2001	\$ -	-	\$ 960,164.05	1	\$ 960,164.05
2002	\$ -	-	\$ 1,836.00	2	\$ 1,836.00
2004	\$ -	-	\$ 9,066.08	6	\$ 9,066.08
2005	\$ (335,050.00)	77	\$ 267,650.91	88	\$ (67,399.09)
2006	\$ (274,269.36)	27	\$ 267,816.02	74	\$ (6,453.34)
2007	\$ (124,482.12)	25	\$ 143,876.99	49	\$ 19,394.87
2008	\$ (279,907.97)	30	\$ 193,358.72	49	\$ (86,549.25)
2009	\$ (132,352.82)	20	\$ 166,822.93	42	\$ 34,470.11
2010	\$ (132,587.28)	34	\$ 159,505.65	37	\$ 26,918.37
2011	\$ (246,629.33)	54	\$ 438,682.75	54	\$ 192,053.42
2012	\$ (583,884.48)	132	\$ 447,543.28	87	\$ (136,341.20)
2013	\$ (615,477.70)	109	\$ 244,128.00	76	\$ (371,349.70)
2014	\$ (1,167,833.13)	173	\$ 946,009.99	60	\$ (221,823.14)
2015	\$ (1,396,200.79)	261	\$ 265,549.38	36	\$ (1,130,651.41)
<b>Subtotal - 2001 through 2015</b>	<b>\$ (5,288,674.98)</b>	<b>942</b>	<b>\$ 4,512,010.75</b>	<b>661</b>	<b>\$ (776,664.23)</b>
2016	\$ (2,201,615.02)	305	\$ 501,398.12	59	\$ (1,700,216.90)
2017	\$ (2,039,556.66)	380	\$ 346,389.85	108	\$ (1,693,166.81)
2018	\$ (2,739,430.83)	437	\$ 807,898.73	114	\$ (1,931,532.10)
2019	\$ (3,920,756.25)	384	\$ 1,557,612.65	154	\$ (2,363,143.60)
2020	\$ (4,179,275.39)	251	\$ 538,680.12	121	\$ (3,640,595.27)
2021	\$ (4,341,131.06)	304	\$ 608,960.56	146	\$ (3,732,170.50)
2022	\$ (5,496,214.20)	298	\$ 926,851.02	167	\$ (4,569,363.18)
2023	\$ (3,472,304.74)	170	\$ 772,810.79	111	\$ (2,699,493.95)
2024	\$ (3,038,342.49)	154	\$ 291,938.00	102	\$ (2,746,404.49)
2025	\$ (552,791.33)	70	\$ 146,412.09	61	\$ (406,379.24)
<b>Subtotal - 2016 through 2025</b>	<b>\$ (31,981,417.97)</b>	<b>2,753</b>	<b>\$ 6,498,951.93</b>	<b>1,143</b>	<b>\$ (25,482,466.04)</b>
<b>Total</b>	<b>\$ (37,270,092.95)</b>	<b>3,695</b>	<b>\$ 11,010,962.68</b>	<b>1,804</b>	<b>\$ (26,259,130.27)</b>

#### Forfeiture Action

Accounts Forfeited on August 16, 2021	(4,838,938.52)	1,011
Accounts Forfeited on September 23, 2022	(1,286,705.10)	348
Accounts Forfeited on March 26, 2024	(1,621,242.25)	262
Accounts Forfeited on September 27, 2024	(764,105.79)	113
Accounts pending forfeiture determination and execution.	(3,892,474.19)	681



## Monthly Report to DC Retail Water and Sewer Rates Committee

### Developer Deposits

Statements are provided to customers when there is activity on the account. To ensure that all customers are aware of the balances, statements are also mailed annually irrespective of whether there is an activity on the account. For the last three years, annual statements were mailed to customers on March 26, 2024, April 28, 2023, and January 25, 2022.

By law, refunds are to be requested by the account owner within two years of completion (DC Code § 34–2401.10). If not requested in that period, these accounts can be forfeited and closed. DC Water has placed a statement on invoices beginning in November 2019 notifying customers of the District law and that funds would be forfeited unless a refund is requested within two years of project completion or account inactivity. A notification to customers that is posted on our website indicates that unless a refund was requested, funds would be forfeited for projects without activity for ten years. AOBA and DCBIA have been asked to notify their membership to examine the invoices.

For accounts that were forfeited, zero balance statements were mailed to customers on August 16, 2021, September 21, 2022, March 26, 2024, and September 27, 2024.

### Refund Requests and Forfeiture Disputes

Following the distribution of annual account statements to customers in March 2024, it has been determined that submitted refund requests affect 1,708 accounts. The accompanying table outlines the progress made to date.

### Construction Inspection Refund Data

	Number of Accounts	Amount (\$)
Refund request received to date	1708	
Refunded this month	17	\$95,782.16
Refunded last month	7	\$37,443.58
Refunded FY25	42	\$246,362.16
Refunded in FY24	369	\$6,935,582.14
Refunded in FY23 (Oct 22 - Sept 23)	105	\$1,756,574.39
Refund requests that are debits (\$0 balance or owe DC Water)	94	\$(149,095.75)
<i>Number of Refund Accounts Reviewed, Awaiting Information from Developers*</i>	103	\$853,026.29
<i>Number of Refund Account Requested after forfeiture date**</i>	12	\$75,583.58

\*Documentation required to process the refund accounts has been thoroughly examined and assembled. DC Water is in the process of obtaining address verification and/or proof of payment from the developers to complete the refund issuance. Request for this information has already been communicated to the developers.

\*\* These accounts were forfeited, and zero balance statements were sent to the developers before they requested a refund. As a result, these accounts are not eligible for a refund.

## Monthly Report to DC Retail Water and Sewer Rates Committee

### Payment Plan and Disconnection Report

Fiscal Year-to-Date  
As of January 31, 2025

Zip Code	Residential					Commercial					Multifamily				
	30-Day A/R	Active Plans	Plans Created	Plans Defaulted	Non-Pay Discon.	30-Day A/R	Active Plans	Plans Created	Plans Defaulted	Non-Pay Discon.	30-Day A/R	Active Plans	Plans Created	Plans Defaulted	Non-Pay Discon.*
	12,469	2,952	1,495	1,049	193	1,224	114	50	26	47	1,593	300	94	88	1
20001	195	52	32	21	6	35	5	3	5	4	9				
20009	110	18	5	9	2	29	7	2		6	33	4	3	1	
20010	357	90	33	28	11	38	6	2	1	2	24	3		1	
20001	73	19	6	4	1	23	5	2	1		12	2	1		
20004						2	1	1							
20005	5	2	1			18									
20006						9	1	1			1				
20007	201	9	5	3	6	60	3			2	5				
20008	10	1				15	1				1				
20009	40	6	1	1		7	2	1		1	12	2			
20011	1														
20036	1					22	2	1	1	1	5	1			
20037	10	2				8	3				3	1			
20057						3									
20418						1									
20007	65	8	3	2	8	9	1				13			1	
20008	54	8	3	1		17	3	1			5			1	
20015	48	5	4	2	3	7	2			1					
20016	150	20	4	2	4	104	1				2	1	1		
20010	22	3	2	2		3					2				
20011	1,559	374	193	126	26	118	15	7	4	4	124	27	9	8	
20012	320	70	33	21	5	20	4	2		2	6	1			
20015	60	10	3	4	4										
20306						1									
20001	209	55	24	15	8	16	1			1	5	2	1	1	
20002	641	156	80	57	14	74	7	4	1	3	213	38	10	11	1
20011	200	61	28	20	1	4	1	1	2		13	1			
20017	631	135	63	43	8	41	6	2		1	26	5			
20018	867	211	103	63	13	95	4	3	2	7	37	4	1		
20036											1	1			
20001	18	7		2		12					4				
20002	402	88	47	23	5	68	5	4		3	16	1			
20003	219	30	13	7		48	4	3	1	2	19	1			
20024	52	14	7	3	1	18					12	4			
20032	1														
20534						1									
20001	2			1											
20002	240	61	24	19	3	11	2	1			18	3		1	
20003	96	12	6	6		25	1				7	1			
20016	2	1	2												
20019	2,899	691	367	236	26	115	11	5	7	3	383	65	17	8	
20020	567	119	67	39	3	12	1				83	20	5	26	
20000	1														
20002	3	2	2	2											
20003	14	4	2			7					1				
20020	1,195	329	181	163	19	51	6	4	1	1	241	62	32	13	
20023	1														
20032	928	279	151	124	16	77	3			3	257	50	14	16	

\*Note: inactive accounts in arrears are not included in the above and the accounts by customer class are as follows: Res. 327, Com. 125 and MF 112

\*Note: Disconnect Work Orders for Multi-Family Properties were created and not assigned for field completion but are manually managed for further collection actions



ATTACHMENT B

# The Revised FY 2025 and Proposed FY 2026 Budget

Presentation to the Retail Rates Committee on February 24, 2025

District of Columbia Water and Sewer Authority





# Agenda

- Review the management's budget proposal and Financial Plan
- Obtain committee's recommendation to the Board on the following:
  - Proposed Revised FY 2025 – FY 2034 Financial Plan, including the revenue requirements to support the operating and capital budgets



# The Budget Process

- 💧 Preparation of Proposed Budget ✓
- 💧 Wholesale customer briefing ✓
- 💧 Board review of proposals
  - Two months of committee review by Finance and Budget, Environmental Quality and Operations, and Retail Rates Committees
- 💧 Office of People's Counsel Budget Briefing ✓
- 💧 Budget Adoption by the full Board on March 6, 2025
- 💧 Fiscal year begins on October 1, 2025





# Budget Adoption Calendar

Timeline	Activity	Status
January 13	Budget Workshop with Board of Directors	✓
January 22	Wholesale Customer Briefing	✓
January 24	Office of People's Counsel Briefing	✓
<b>Committee Discussions &amp; Reviews</b>		
January 16	Environmental Quality & Operations	✓
January 28	Joint DC Retail Water & Sewer Rates and Finance & Budget Committee	✓
February 6	Board Meeting (No Board Action Required)	✓
<b>Committee Reviews, Recommendations &amp; Actions</b>		
February 21	Environmental Quality & Operations	✓
February 24	DC Retail Water & Sewer Rates	✓
February 27	Finance & Budget	
<b>March 6</b>	<b>Board Adoption of Budgets</b>	
April	Submit Budget via the District to U.S. Congress	
October 1	Fiscal Year 2026 Begins	



## Customer Assistance

💧 DC Water has some of the most robust customer assistance programs in the nation

- We know that some households cannot afford the vital service that we provide, so DC Water has implemented programs to help
- Household incomes up to \$154,700 (household of four) may qualify



For more information, please see:  
<https://www.dewater.com/customer-assistance>

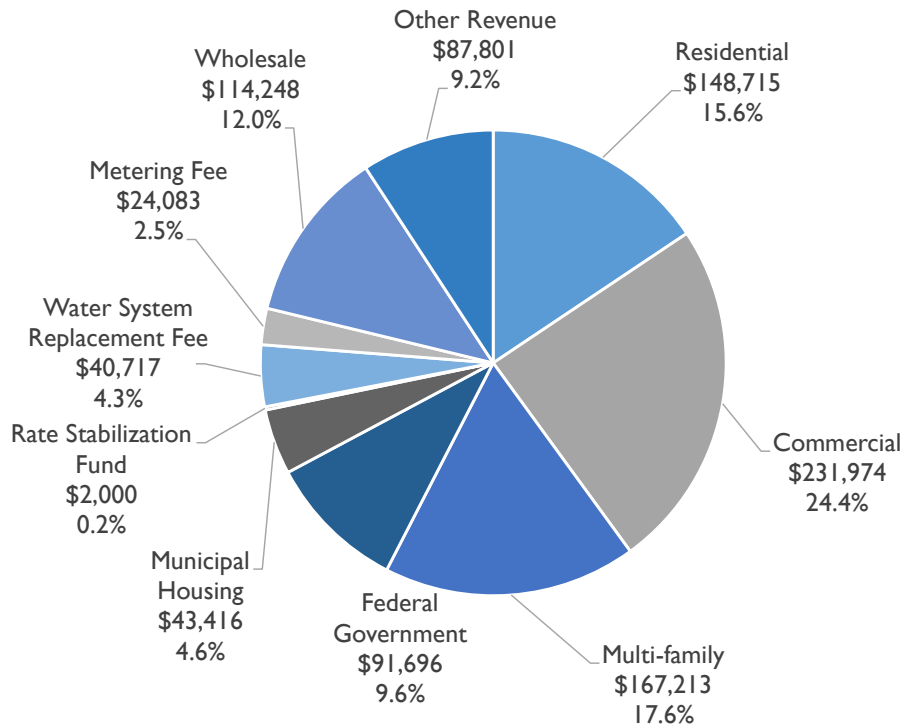




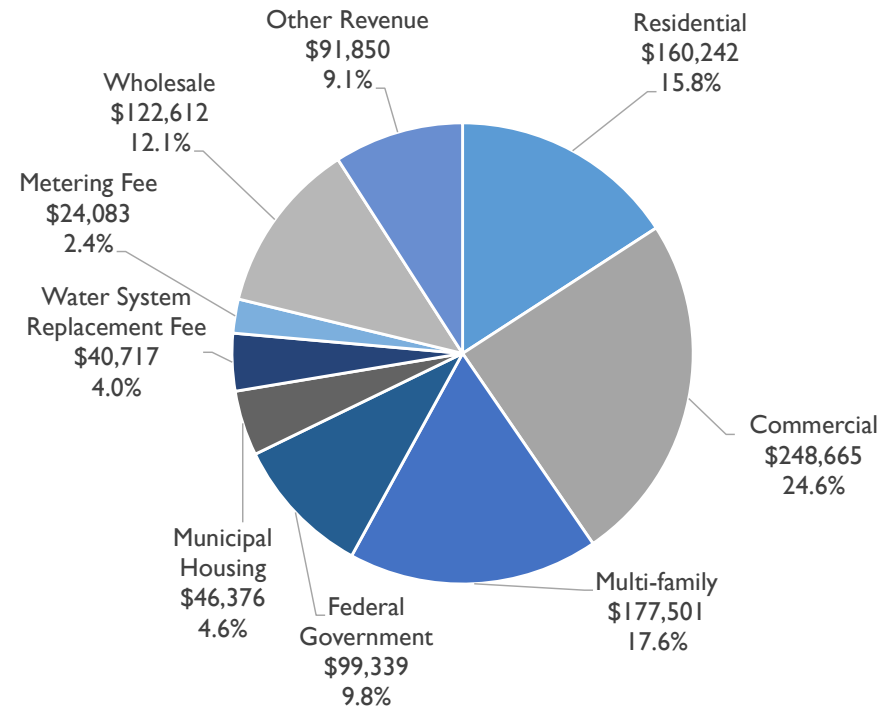
# FY 2025 vs. FY 2026 Operating Revenues

\$ in thousands

**Revised FY 2025**  
**\$951.9 million**



**Proposed FY 2026**  
**\$1,011.4 million**







# Revenues

💧 FY 2025 and FY 2026 Revenues have been revised upward due to following:

- Retail Revenue – higher projected consumption by 2.3 million Ccf
- Wholesale Revenue – increase in O&M cost in FY 2026
- Other Revenue – increase in projected Fire Protection Fee based on Cost of Service and IMA Indirect Cost Reimbursement for Capital Project

FY 2025	Current	Revision	Revised
Retail Revenue	731,642,502	16,171,481	747,813,983
Wholesale Revenue	114,248,146	-	114,248,146
Other Revenue	78,370,242	9,430,667	87,800,909
Rate Stabilization Fund	2,000,000	-	2,000,000
<b>Total</b>	<b>926,260,890</b>	<b>25,602,148</b>	<b>951,863,038</b>

FY 2026	Current	Revision	Proposed
Retail Revenue	775,093,838	21,828,972	796,922,810
Wholesale Revenue	120,904,781	1,707,067	122,611,848
Other Revenue	81,456,575	10,393,667	91,850,242
<b>Total</b>	<b>977,455,194</b>	<b>33,929,706</b>	<b>1,011,384,900</b>



# Revenue Comparison by Customer Class

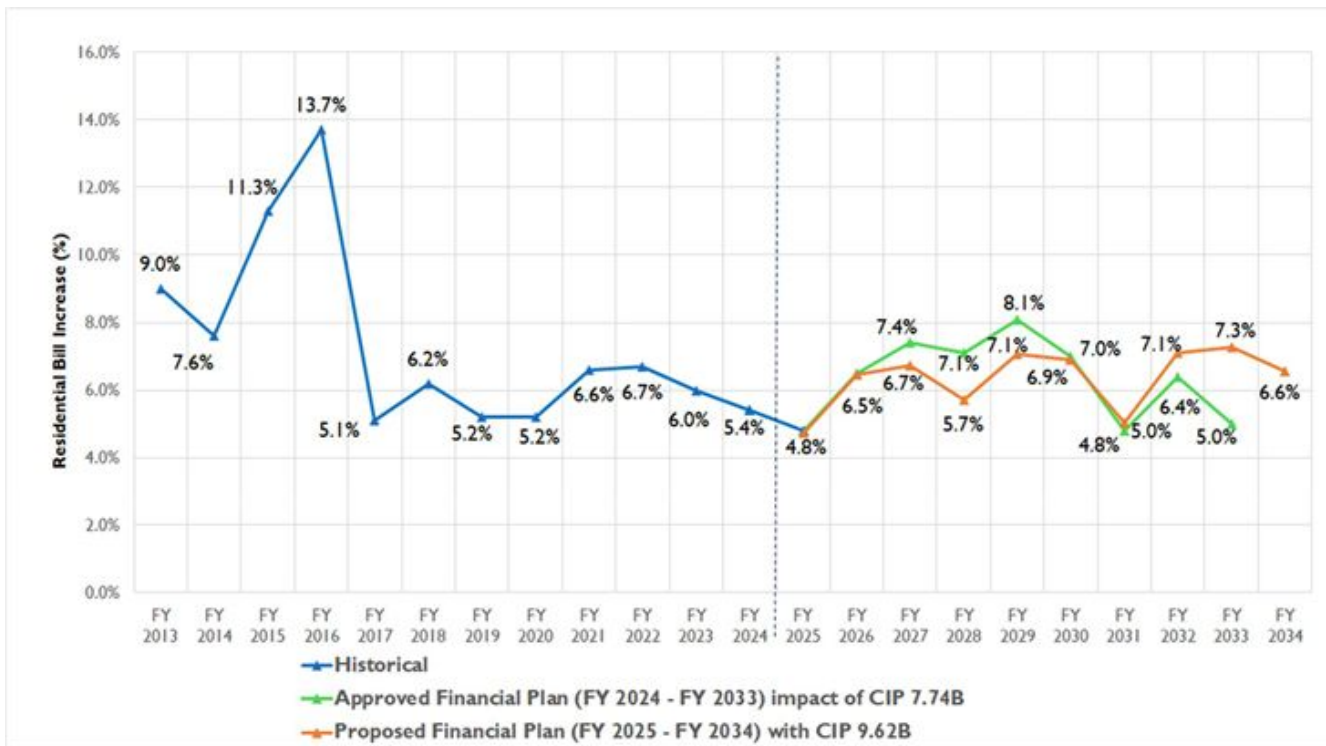
- Total revenue is projected to increase by \$25.6 million or 2.8% for FY 2025 and \$59.5 million or 6.3% for FY 2026 mainly due to rate increase
  - Retail Revenue – Increase by \$16.2 million or 2.2% in FY 2025 and \$49.1 million or 6.6% in FY 2026 mainly due to higher projected consumption.
  - Wholesale Revenue – Increase by \$8.4 million or 7.3% in FY 2026 due to operations and maintenance expense projection. Revenue estimates are based on most recent flow data

\$ in thousands	Approved FY 2025	Revised FY 2025	Proposed FY 2026	Revised FY 2025 vs Approved FY 2025		Proposed FY 2026 vs Revised FY 2025	
				Incr/(Decr)		Incr/(Decr)	
				\$	%	\$	%
				Retail Revenue	\$731,643	\$747,814	\$796,923
Wholesale Revenue							
Potomac Interceptor (PI)	3,547	3,547	3,547	-	0.0%	-	0.0%
Loudoun County Sanitation Authority (LCSA)	10,450	10,450	11,052	-	0.0%	602	5.8%
Washington Suburban Sanitary Commission (WSSC)	79,591	79,591	86,411	-	0.0%	6,820	8.6%
Fairfax County	20,660	20,660	21,602	-	0.0%	941	4.6%
Total Wholesale Revenue	\$114,248	\$114,248	\$122,612	-	0.0%	8,364	7.3%
Other Revenue	78,370	87,801	91,850	9,431	12.0%	4,049	4.6%
Rate Stabilization Fund (RSF)	2,000	2,000	-	-	0.0%	(2,000)	-100.0%
Total Revenues	\$926,261	\$951,863	\$1,011,385	\$25,602	2.8%	\$59,522	6.3%



# Historical and Projected Combined Rate Increases

From FY 2031 and beyond, forecasted rates are higher than previously estimated due to higher costs

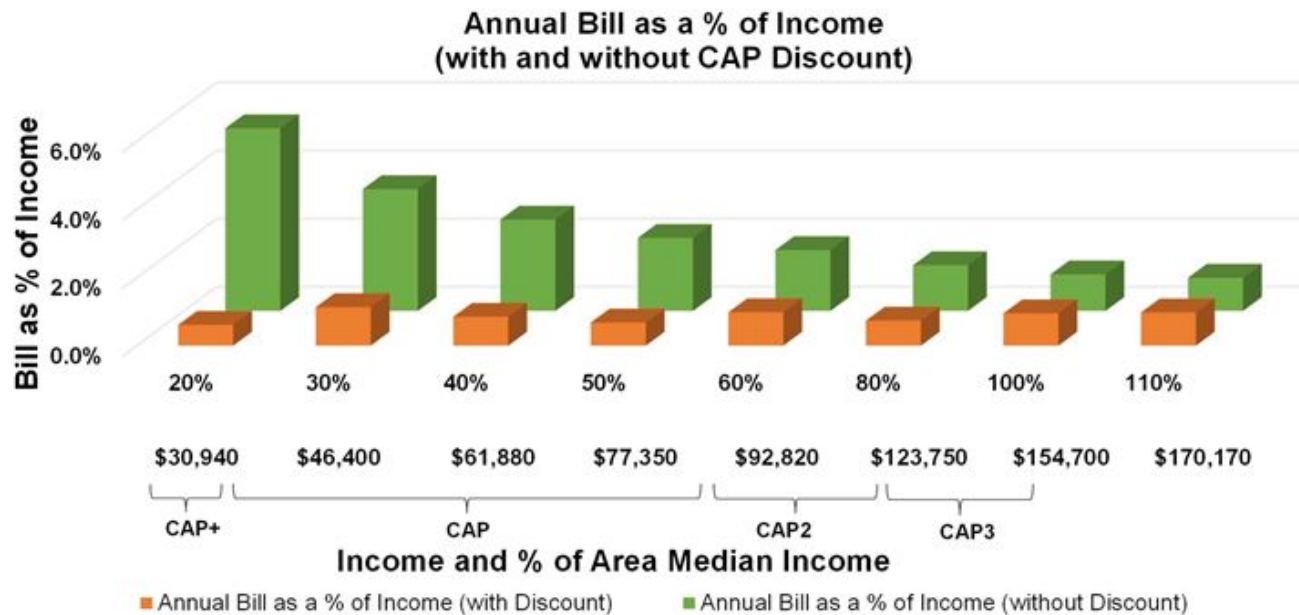


- Water/wastewater infrastructure is highly capital-intensive – More so than gas or electric utilities, requiring continuous investment.
- Aging infrastructure – Higher replacement costs because of the age of infrastructure.
- Material costs rising faster than general inflation – Materials like pipes have seen significant cost increases.
- Debt service for capital projects – Projects are funded through bonds, increasing long-term costs.



# Customer Assistance

- 💧 CAP provides discounts to households up to 100% Area Median Income
- 💧 Those with lower incomes receive a greater benefit
- 💧 Programs assist with affordability for households below area median income





## The Financial Plan

- The metrics maintained in DC Water's financial plan are intended to maintain our credit ratings and keep borrowing costs low
- Over the next ten years DC Water plans to borrow an additional \$4.1 billion that must be repaid through customer rates
- DC Water's prudent approach to borrowing is designed to provide generational equity among ratepayers without compromising future financial flexibility or incurring unnecessary costs
  - Borrowing allocates a portion of current capital costs to future ratepayers for capital improvements expected to remain in use at the time repayment occurs, but increases total costs due to interest expenses incurred
- Financial strength has allowed DC Water to spread repayment of once-in-a-generation capital costs aggressively and equitably, providing relief to current ratepayers
  - Financial Plan contemplates the issuance of \$4.1 billion of new debt; only ~\$1.0 billion of existing bonds are scheduled to be repaid through FY2034
  - Existing debt includes a \$350 million century bond, which will not be repaid until 2114 and represents the only century bond within the municipal utility sector
  - Commitments to generational equity in the debt portfolio are more aggressive than they could be at a lower rating level., with century bond market not available to lower-rated issuers and escalating credit premiums required for maturities >30 years.
- Weakening of financial metrics could compromise access or increase costs for financial products that provide savings to DC Water ratepayers





## Changes in Financial Plan

- Changed assumptions for County Refunds in the Revised Financial Plan as follows:
  - Projected \$3 million per year County Refunds for the FY 2025, FY 2026, and FY 2027
  - The previous plan assumed County Refunds of \$11.0 million for FY 2025, \$7.6 million for FY 2026, and \$5.9 million for FY 2027
  - The revised assumptions resulted in slight improvement in financial metrics like Combined Coverage, Senior Coverage, Junior Coverage, and Debt Service as a Percentage of Operating Revenue



# Ten-Year Financial Plan

Revised

**DISTRICT OF COLUMBIA WATER & SEWER AUTHORITY**  
**FY 2025 - FY 2034 FINANCIAL PLAN**  
 (In 000's)

OPERATING	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034
<i>Retail</i>	771,627	821,079	871,854	917,377	976,477	1,039,404	1,089,189	1,161,642	1,240,043	1,319,977
<i>Wholesale</i>	114,248	122,612	127,516	132,617	137,922	143,439	149,176	155,143	161,349	167,803
<i>Other</i>	63,988	67,694	75,672	89,764	91,171	86,119	79,886	78,649	79,403	80,347
<i>RSF</i>	2,000	-	-	-	-	-	-	-	-	-
<b>Operating Receipts <sup>(1)</sup></b>	<b>\$ 951,863</b>	<b>\$ 1,011,385</b>	<b>\$ 1,075,042</b>	<b>\$ 1,139,758</b>	<b>\$ 1,205,569</b>	<b>\$ 1,268,962</b>	<b>\$ 1,318,252</b>	<b>\$ 1,395,433</b>	<b>\$ 1,480,795</b>	<b>\$ 1,568,127</b>
<b>Operating Expenses</b>	<b>444,223</b>	<b>461,839</b>	<b>479,727</b>	<b>498,324</b>	<b>517,656</b>	<b>537,753</b>	<b>558,646</b>	<b>580,367</b>	<b>602,948</b>	<b>625,648</b>
<b>Debt Service</b>	<b>243,969</b>	<b>271,489</b>	<b>297,953</b>	<b>328,582</b>	<b>358,445</b>	<b>385,465</b>	<b>415,209</b>	<b>449,344</b>	<b>478,494</b>	<b>508,147</b>
<b>Cash Financed Capital Improvement</b>	<b>\$ 65,963</b>	<b>\$ 73,897</b>	<b>\$ 78,467</b>	<b>\$ 82,564</b>	<b>\$ 87,883</b>	<b>\$ 93,546</b>	<b>\$ 98,027</b>	<b>\$ 104,548</b>	<b>\$ 111,604</b>	<b>\$ 118,798</b>
<b>Net Revenues After Debt Service</b>	<b>\$ 197,709</b>	<b>\$ 204,159</b>	<b>\$ 218,895</b>	<b>\$ 230,289</b>	<b>\$ 241,586</b>	<b>\$ 252,197</b>	<b>\$ 246,369</b>	<b>\$ 261,174</b>	<b>\$ 287,749</b>	<b>\$ 315,534</b>
<b>Operating Reserve-Beg Balance</b>	<b>320,513</b>	<b>309,600</b>	<b>325,600</b>	<b>338,600</b>	<b>351,600</b>	<b>366,600</b>	<b>380,600</b>	<b>395,600</b>	<b>411,600</b>	<b>428,100</b>
<b>Other Misc (Disbursements)/Receipts</b>										
Wholesale/Federal True Up	(14,049)	(14,310)	(10,000)	-	-	-	-	-	-	-
Project Billing Refunds	(2,000)	-	-	-	-	-	-	-	-	-
Transfers to RSF										
Pay-Go Financing	(192,573)	(173,849)	(195,895)	(217,289)	(226,586)	(238,197)	(231,369)	(245,174)	(271,249)	(298,934)
<b>Operating Reserve - Ending Balance</b>	<b>\$ 309,600</b>	<b>\$ 325,600</b>	<b>\$ 338,600</b>	<b>\$ 351,600</b>	<b>\$ 366,600</b>	<b>\$ 380,600</b>	<b>\$ 395,600</b>	<b>\$ 411,600</b>	<b>\$ 428,100</b>	<b>\$ 444,700</b>
<b>Rate Stabilization Fund Balance RSF <sup>(2)</sup></b>	<b>\$ 33,644</b>	<b>\$ 33,644</b>	<b>\$ 33,644</b>	<b>\$ 33,644</b>	<b>\$ 33,644</b>	<b>\$ 33,644</b>	<b>\$ 33,644</b>	<b>\$ 33,644</b>	<b>\$ 33,644</b>	<b>\$ 33,644</b>
<b>Senior Debt Service Coverage</b>	<b>873%</b>	<b>744%</b>	<b>668%</b>	<b>704%</b>	<b>696%</b>	<b>656%</b>	<b>683%</b>	<b>629%</b>	<b>635%</b>	<b>701%</b>
<b>Combined Debt Service Coverage</b>	<b>211%</b>	<b>206%</b>	<b>205%</b>	<b>203%</b>	<b>199%</b>	<b>196%</b>	<b>189%</b>	<b>187%</b>	<b>189%</b>	<b>191%</b>
<b>Actual/Projected Water/Sewer Rate Increases</b>	<b>8.00%</b>	<b>6.00%</b>	<b>7.00%</b>	<b>7.00%</b>	<b>7.50%</b>	<b>8.50%</b>	<b>9.50%</b>	<b>9.50%</b>	<b>9.50%</b>	<b>9.00%</b>
<b>Operating Receipts \$ Increase/Decrease</b>										
Retail	13,804	49,451	50,776	45,523	59,100	62,927	49,785	72,452	78,401	79,934
Wholesale	7,491	8,364	4,904	5,101	5,305	5,517	5,738	5,967	6,206	6,454
<b>Operating Receipts % Increase/Decrease</b>										
Retail	1.8%	6.4%	6.2%	5.2%	6.4%	6.4%	4.8%	6.7%	6.7%	6.6%
Wholesale	7.0%	7.3%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%

<sup>(1)</sup> Includes interest earnings on senior lien revenue bonds' debt service reserve fund

<sup>(2)</sup> \$2.0 million withdrawal from Rate Stabilization Fund in FY2025 for new Payment Plan Incentive Program, leaving a balance of 33.644 million



## Financial Metrics

Metrics	Indenture Requirement	Board Policy	Management Target	Financial Plan	S&P Median
Days of Cash on Hand (excluding RSF)	60 days	250 Days	—	267 - 269 Days	514 Days
Combined Coverage Ratio	—	1.6X	—	1.87X – 2.07X	2.0
- Senior Coverage	1.2X	—	—	6.29X – 8.55X	—
- Subordinate Coverage	1.0X	—	—	2.23X – 2.49X	—
Debt Service as a % of Revenue	—	—	33% of Revenue or Less	25.9% - 33.0%	—
Rate Stabilization Fund (RSF)	—	—	—	\$33.6 million	—
Median Leverage Ratio (debt to capitalization)	—	—	—	48% (FY2023 Actual)	35%
Growth in operating expenses over two years	—	—	—	19% (FY 2021 – FY2023)	17% (FY2021- FY2023)

\* Board of Directors added to the cash balance at the end of FY2023 to reach 267 Days of Cash and increase it to 350 days by FY2032





# Borrowing Costs

- ◆ The chart below demonstrates the substantial financial impact of lower credit ratings under normal and stressed market conditions per \$250 million of debt issuance, noting that DC Water has plans to issue at least \$4.1 billion of new money debt in the next ten years and maintains over \$3.8 billion of outstanding debt, some of which could be refinanced in the future
  - Low-cost debt funding is vital to continued refinancing efforts that have generated hundreds of millions of dollars of present value debt service savings over the past ten years
- ◆ Costs shown measure incremental interest costs incurred for a fixed amount of borrowing at various rating levels versus DC Water’s current rating level, but do not measure the full interest costs related to proposed additional borrowing
  - Additional borrowing compounds added costs

Rating	Average Yield Differential vs. AAA Rating	Individual Bond Sale (\$250 million)			Aggregate Debt Issuance for Capital Program (Approx. ~\$2.5 billion)		
		Annual Cost Differential (\$250 million)	Total Cost Differential (Through Maturity)	PV at 4%	Annual Cost (\$2.5 Billion)	Total Cost Differential (Through Maturity)	PV at 4% (\$250 MM Issued Annually, 10 Years)
AAA	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
AA+	0.25%	625,000	12,500,000	8,493,954	6,250,000	125,000,000	84,939,540
AA	0.35%	875,000	17,500,000	11,891,536	8,750,000	175,000,000	118,915,356
AA-	0.40%	1,000,000	20,000,000	13,590,326	10,000,000	200,000,000	135,903,263
A+	0.45%	1,125,000	22,500,000	15,289,117	11,250,000	225,000,000	152,891,171
A	0.55%	1,375,000	27,500,000	18,686,699	13,750,000	275,000,000	186,866,987
A-	0.70%	1,750,000	35,000,000	23,783,071	17,500,000	350,000,000	237,830,711

Source: PFM



# Committee Actions & Budget Adoption

	Environmental Quality & Operations	DC Retail Water & Sewer Rates	Finance & Budget
Committees & Meeting Dates	February 20	February 24	February 22
FY 2025 - FY 2034 Capital Budget <ul style="list-style-type: none"> <li>Revised FY 2025 Capital Budget</li> <li>Proposed FY 2026 Capital Budget</li> <li>Ten-Year Capital Improvement Plan</li> <li>Lifetime Project</li> </ul>	Action Required		Action Required
Annual Operating Budgets <ul style="list-style-type: none"> <li>Proposed Amended FY 2025</li> <li>Proposed FY 2026</li> </ul>			Action Required
Proposed FY 2025 - FY 2034 Financial Plan		Action Required	Action Required
Proposed Revised FY 2025 & Proposed FY 2026 Operating Revenues		Action Required	Action Required
Intent to Reimburse Capital Expenditures with Proceeds of a Borrowing			Action Required





# Public Communication

Complete Budget Briefing available online at <https://www.dewater.com/budget-and-rate-review-documents-0>

Date	Title
January 24, 2025	Briefing to the Office of People's Counsel DC Water's Proposed FY 2026 Budget
January 22, 2025	Wholesale Customer Briefing DC Water's Proposed FY 2026 Budget
January 16, 2025	Environmental Quality and Operations Proposed FY 2025 - FY 2034 Capital Improvement Program
January 13, 2025	Budget Workshop with the Board FY 2026 Proposed Budget



# Management Recommendation

Management recommends the approval of the following:

- Proposed Revised FY 2025 – FY 2034 Financial Plan, including the revenue requirements to support the operating and capital budgets





# Appendix



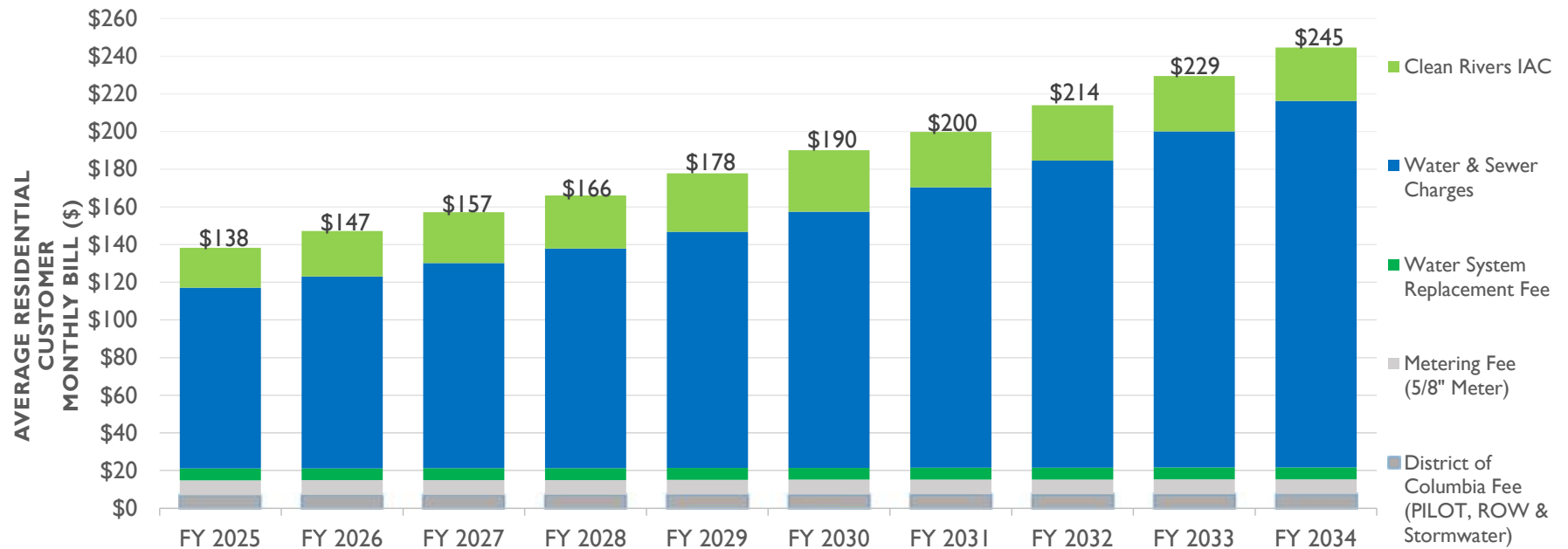
# Detailed CIP by Program Area

Cash Disbursements (\$000's)	FY2025 - FY 2034 CAPITAL IMPROVEMENT PROGRAM										10-yr Total	Last Year's 10-yr	(Increase) Decrease	Lifetime Budget	
	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034					
<b>NON PROCESS FACILITIES</b>															
Facility Land Use	\$ 18,181	\$ 51,570	\$ 36,149	\$ 16,630	\$ 13,006	\$ 12,169	\$ 16,339	\$ 16,393	\$ 16,616	\$ 16,000	\$ 213,052	\$ 197,518	\$ (15,534)	\$ 414,629	
Subtotal	<b>18,181</b>	<b>51,570</b>	<b>36,149</b>	<b>16,630</b>	<b>13,006</b>	<b>12,169</b>	<b>16,339</b>	<b>16,393</b>	<b>16,616</b>	<b>16,000</b>	<b>213,052</b>	<b>197,518</b>	<b>(15,534)</b>	<b>414,629</b>	
<b>WASTEWATER TREATMENT</b>															
Liquid Processing	28,574	40,674	59,430	114,602	115,967	144,038	147,596	134,848	131,382	133,696	1,050,807	744,128	(306,679)	1,758,612	
Plantwide	28,284	50,884	43,954	69,654	47,347	36,874	28,755	28,111	34,618	34,235	402,717	291,817	(110,900)	679,450	
Solids Processing	10,758	14,796	8,274	11,314	25,379	40,519	46,646	52,966	51,553	47,059	309,264	245,744	(63,520)	1,046,727	
Enhanced Nitrogen Removal Facilities	666	-	-	-	-	-	-	-	-	-	666	51,914	51,248	386,916	
Subtotal	<b>68,282</b>	<b>106,353</b>	<b>111,659</b>	<b>195,570</b>	<b>188,694</b>	<b>221,431</b>	<b>222,997</b>	<b>215,925</b>	<b>217,553</b>	<b>214,990</b>	<b>1,763,454</b>	<b>1,333,603</b>	<b>(429,851)</b>	<b>3,871,705</b>	
<b>COMBINED SEWER OVERFLOW</b>															
DC Clean Rivers Program	220,365	245,686	235,003	186,380	117,403	66,731	-	-	-	-	1,071,566	1,169,843	98,277	3,290,812	
Combined Sewer Overflow Program	3,467	4,700	2,346	10,716	21,122	19,181	5,953	-	-	-	67,484	60,249	(7,235)	131,053	
Subtotal	<b>223,832</b>	<b>250,386</b>	<b>237,349</b>	<b>197,096</b>	<b>138,525</b>	<b>85,911</b>	<b>5,953</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,139,051</b>	<b>1,230,093</b>	<b>91,042</b>	<b>3,421,865</b>	
<b>STORMWATER</b>															
Storm Local Drainage Program	849	3,915	2,564	2,448	2,226	2,226	1,238	1,811	2,054	1,102	20,433	9,114	(11,319)	38,640	
Storm On-Going Program	372	640	613	1,490	1,287	935	500	500	500	500	7,336	7,094	(242)	11,233	
Storm Pumping Facilities	5,814	10,959	11,638	1,522	-	-	-	-	-	-	29,933	44,680	14,747	59,501	
Stormwater Program Management	744	694	461	-	27	1,970	-	-	-	-	3,896	3,736	(160)	13,349	
Stormwater Trunk/Force Sewers	431	1,152	1,164	1,495	-	-	-	-	-	-	4,242	3,926	(316)	28,977	
Subtotal	<b>8,209</b>	<b>17,360</b>	<b>16,440</b>	<b>6,955</b>	<b>3,540</b>	<b>5,131</b>	<b>1,738</b>	<b>2,311</b>	<b>2,554</b>	<b>1,602</b>	<b>65,840</b>	<b>68,551</b>	<b>2,711</b>	<b>151,698</b>	
<b>SANITARY SEWER</b>															
Sanitary Collection System	15,875	21,009	26,210	57,118	91,767	86,810	93,050	96,012	92,495	104,917	685,262	592,860	(92,402)	880,985	
Sanitary On-Going Projects	15,152	17,100	16,795	18,418	26,725	26,474	81,466	86,964	82,933	84,964	456,991	206,851	(250,140)	525,764	
Sanitary Pumping Facilities	6,047	9,880	9,122	8,387	12,187	26,724	28,453	32,578	31,733	25,370	190,481	153,015	(37,466)	265,605	
Sanitary Program Management	11,510	9,702	9,060	10,883	645	-	-	-	-	-	41,801	50,302	8,501	171,900	
Interceptor/Trunk Force Sewers	98,317	91,105	109,744	250,797	267,833	163,334	98,729	87,043	92,153	85,017	1,344,073	852,553	(491,520)	1,901,434	
Subtotal	<b>146,901</b>	<b>148,796</b>	<b>170,931</b>	<b>345,603</b>	<b>399,157</b>	<b>303,342</b>	<b>301,698</b>	<b>302,597</b>	<b>299,314</b>	<b>300,268</b>	<b>2,718,608</b>	<b>1,855,580</b>	<b>(863,028)</b>	<b>3,745,688</b>	
<b>WATER</b>															
Water Distribution Systems	46,536	84,530	97,092	96,785	117,873	133,358	153,427	152,544	161,608	168,836	1,212,588	1,151,805	(60,783)	2,230,246	
Lead Free DC Program	100,747	133,460	133,000	133,000	133,000	133,000	83,000	83,000	83,000	83,000	1,098,207	731,587	(366,620)	1,783,056	
Water On-Going Projects	15,362	14,759	16,006	15,150	16,014	21,501	20,779	22,623	20,404	20,404	183,002	181,974	(1,028)	307,845	
Water Pumping Facilities	5,903	8,716	7,049	8,305	5,870	5,128	2,250	-	-	-	43,220	47,664	4,444	84,652	
Water Storage Facilities	3,726	18,404	30,600	18,253	22,955	16,208	32,925	37,377	37,057	33,412	250,917	193,821	(57,096)	374,296	
Water Service Program Management	12,821	10,810	14,063	16,626	4,691	5,000	5,000	5,000	5,000	5,000	84,011	46,178	(37,833)	188,394	
Subtotal	<b>185,094</b>	<b>270,680</b>	<b>297,810</b>	<b>288,118</b>	<b>300,403</b>	<b>314,195</b>	<b>297,381</b>	<b>300,544</b>	<b>307,069</b>	<b>310,652</b>	<b>2,871,946</b>	<b>2,353,028</b>	<b>(518,918)</b>	<b>4,968,489</b>	
<b>CAPITAL PROJECTS</b>	\$ 650,499	\$ 845,145	\$ 870,337	\$1,049,973	\$1,043,325	\$ 942,179	\$ 846,106	\$ 837,770	\$ 843,106	\$ 843,512	\$ 8,771,952	\$7,038,373	\$ (1,733,579)	\$16,574,075	
<b>CAPITAL EQUIPMENT</b>	31,477	32,481	32,052	31,825	37,169	37,169	37,169	37,169	37,169	37,169	350,848	347,390	(3,458)	350,848	
<b>WASHINGTON AQUEDUCT</b>	35,770	35,770	35,770	35,770	35,770	35,770	71,540	71,540	71,540	71,540	500,780	357,472	(143,308)	500,780	
<b>ADDITIONAL CAPITAL PROJECTS</b>	\$ 67,247	\$ 68,251	\$ 67,822	\$ 67,595	\$ 72,939	\$ 72,939	\$ 108,709	\$ 108,709	\$ 108,709	\$ 108,709	\$ 851,628	\$ 704,862	\$ (146,766)	\$ 851,628	
<b>LABOR</b>															
														383,495	
<b>TOTAL CAPITAL BUDGETS</b>	<b>\$ 717,745</b>	<b>\$ 913,396</b>	<b>\$ 938,159</b>	<b>\$1,117,568</b>	<b>\$1,116,264</b>	<b>\$1,015,118</b>	<b>\$ 954,815</b>	<b>\$ 946,479</b>	<b>\$ 951,815</b>	<b>\$ 952,221</b>	<b>\$ 9,623,580</b>	<b>\$7,743,235</b>	<b>\$ (1,880,345)</b>	<b>\$17,809,199</b>	



# Projected Average Residential Customer Bill

Projected average monthly residential customer bill ranges from \$138 in FY 2025 to \$245 in FY 2034



\* Assumes average residential consumption of 5.42 Ccf, or 4,054 gallons, per month. Ccf = hundred cubic feet, or 748 gallons



# Average Residential Customer Monthly Bill

	<b>Units</b>	<b>FY 2024</b>	<b>Current FY 2025</b>	<b>Approved FY 2026</b>
DC Water Water and Sewer Retail Rates (1)	Ccf	\$ 89.03	\$ 95.93	\$ 101.77
DC Water Clean Rivers IAC (2)	ERU	21.86	21.23	24.23
DC Water Customer Metering Fee	5/8"	7.75	7.75	7.75
DC Water Water System Replacement Fee (4)	5/8"	6.30	6.30	6.30
<b>Subtotal DC Water Rates &amp; Charges</b>		<b>\$ 124.94</b>	<b>\$ 131.21</b>	<b>\$ 140.05</b>
Increase / Decrease		\$ 6.68	\$ 6.27	\$ 8.84
Percent Increase in DC Water Portion of Bill		5.6%	5.0%	6.7%
District of Columbia PILOT Fee (1)	Ccf	3.31	3.31	3.36
District of Columbia Right-of-Way Fee (1)	Ccf	1.03	1.03	1.08
District of Columbia Right of Way / PILOT Fee		4.34	4.34	4.44
District of Columbia Stormwater Fee (3)	ERU	2.67	2.67	2.67
<b>Subtotal District of Columbia Charges</b>		<b>\$ 7.01</b>	<b>\$ 7.01</b>	<b>\$ 7.11</b>
<b>Total Amount Appearing on DC Water Bill</b>		<b>\$ 131.95</b>	<b>\$ 138.22</b>	<b>\$ 147.16</b>
Increase / Decrease Over Prior Year		\$ 6.79	\$ 6.27	\$ 8.94
<b>Percent increase in Total Bill</b>		<b>5.43%</b>	<b>4.75%</b>	<b>6.47%</b>

(1) Assumes average monthly consumption of 5.42 Ccf, or (4,054 gallons)

(2) Assumes average 1 Equivalent Residential Unit (ERU)

(3) District Department of Energy & Environment stormwater fee of \$2.67 effective November 1, 2010

(4) DC Water "Water System Replacement Fee" of \$6.30 for 5/8" meter size effective October 1, 2015





# Average CAP Customer Monthly Bill

	Units	FY 2024	Current FY 2025	Approved FY 2026
DC Water Water and Sewer Retail Rates <sup>(1)</sup>	Ccf	\$ 89.03	\$ 95.93	\$ 101.77
DC Water Clean Rivers IAC <sup>(5)</sup>	ERU	21.86	21.23	24.23
DC Water Customer Metering Fee	5/8"	7.75	7.75	7.75
DC Water Water System Replacement Fee <sup>(3)</sup>	5/8"	6.30	6.30	6.30
<b>Subtotal DC Water Rates &amp; Charges</b>		<b>\$ 124.94</b>	<b>\$ 131.21</b>	<b>\$ 140.05</b>
Increase / Decrease		\$ 6.68	\$ 6.27	\$ 8.84
District of Columbia PILOT Fee <sup>(2)</sup>	Ccf	\$ 3.31	\$ 3.31	\$ 3.36
District of Columbia Right-of-Way Fee <sup>(2)</sup>	Ccf	1.03	1.03	1.08
District of Columbia Stormwater Fee <sup>(4)</sup>	ERU	2.67	2.67	2.67
<b>Subtotal District of Columbia Charges</b>		<b>\$ 7.01</b>	<b>\$ 7.01</b>	<b>\$ 7.11</b>
<b>Total Amount</b>		<b>\$ 131.95</b>	<b>\$ 138.22</b>	<b>\$ 147.16</b>
Less: CAP Discount (4Ccf per month)		(67.52)	(72.32)	(76.48)
CAP Discount (100% WSRF per month)		(6.30)	(6.30)	(6.30)
CAP Discount (75% CRIAC per month)		(16.40)	(15.92)	(18.17)
Total CAP Discount		(90.22)	(94.54)	(100.95)
<b>Total Amount Appearing on DC Water Bill</b>		<b>\$ 41.73</b>	<b>\$ 43.68</b>	<b>\$ 46.21</b>
Increase / Decrease Over Prior Year		\$ 1.76	\$ 1.95	\$ 2.53
<b>CAP Customer Discount as a Percent of Total Bill</b>		<b>-68.37%</b>	<b>-68.40%</b>	<b>-68.60%</b>

(1) Assumes average monthly consumption of 5.42 Ccf, or (4,054 gallons)

Ccf of PILOT and ROW fee

(3) Assumes 100 percent discount for Water System Replacement Fee (WSRF) to CAP customers effective October 1, 2015

(4) District Department of the Environment stormwater fee of \$2.67 effective November 1, 2010

(5) Assumes 75% discount for the Clean Rivers IAC effective October 1, 2020



# CAP+, CAP, CAP2 and CAP3 Discounts

## 💧 CAP+, CAP, CAP2 and CAP3 discounts and income thresholds

Program	Income Treshold <sup>6</sup>	Charges (Discounts)	FY2024	Current FY2025	Approved FY2026
CAP+ <sup>2</sup>	\$36,905 (20% SMI)	Total Amount before Discounts <sup>1</sup>	\$ -	\$ 138.22	\$ 147.16
		Discounts	-	(122.49)	(130.68)
		Total Amount Appearing on DC Water Bill	\$ -	\$ 15.73	\$ 16.48
CAP <sup>3</sup>	\$110,715 (60% SMI)	Total Amount before Discounts <sup>1</sup>	\$ 131.95	\$ 138.22	\$ 147.16
		Discounts	(90.22)	(94.54)	(100.95)
		Total Amount Appearing on DC Water Bill	\$ 41.73	\$ 43.68	\$ 46.21
CAP2 <sup>4</sup>	\$123,750 (80% AMI)	Total Amount before Discounts <sup>1</sup>	\$ 131.95	\$ 138.22	\$ 147.16
		Discounts	(59.17)	(62.46)	(67.02)
		Total Amount Appearing on DC Water Bill	\$ 72.78	\$ 75.76	\$ 80.14
CAP3 <sup>5</sup>	\$154,700 (100% AMI)	Total Amount before Discounts <sup>1</sup>	\$ 131.95	\$ 138.22	\$ 147.16
		Discounts	(16.40)	(15.92)	(18.17)
		Total Amount Appearing on DC Water Bill	\$ 115.55	\$ 122.30	\$ 128.99

(1) Assumes average monthly consumption of 5.42 Ccf, or (4,054 gallons)

(2) CAP+ provides a discount on the first 600 cubic feet (4,488 gallons) of water, sewer, PILOT and ROW fee, 75 percent reduction in the monthly CRIAC fee and WSRF waiver

(3) CAP provides a discount on the first 400 cubic feet (2,992 gallons) of water, sewer, PILOT and ROW fee, 75 percent reduction in the monthly CRIAC fee and WSRF waiver

(4) CAP2 provides a discount on the first 300 cubic feet (2,244 gallons) of water and sewer services (with the exception of PILOT and ROW fees) and a 50 percent reduction in the monthly CRIAC fee

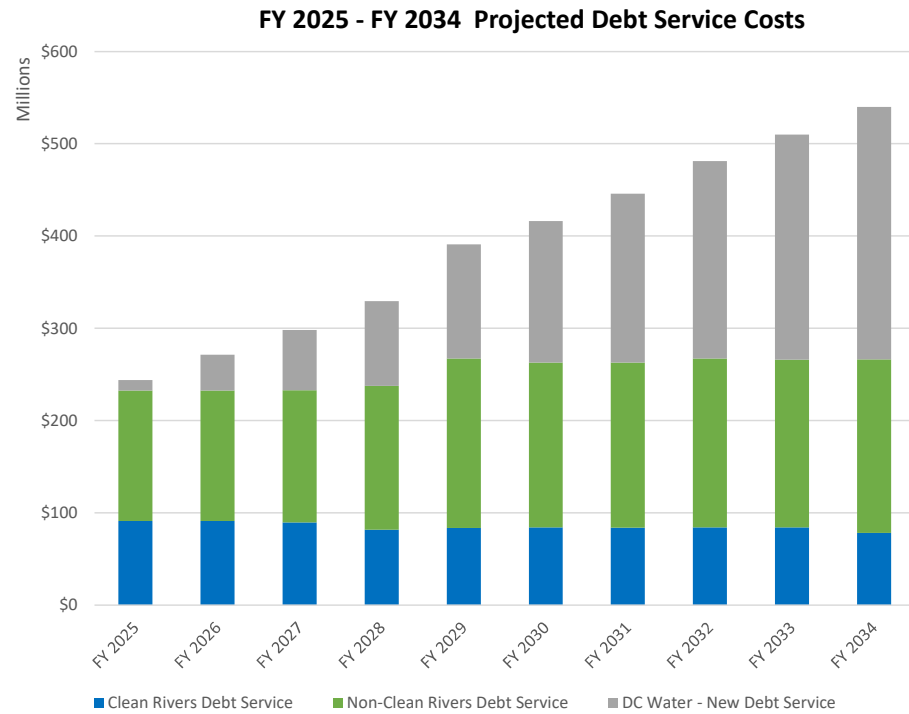
(5) CAP3 provides a discount of 75 percent of the monthly CRIAC

(6) Income Thresholds are based on a family of four



# Near Term of the 10-Year CIP

- 💧 To advance the capital program, DC Water will borrow an additional \$4.1 billion over the next ten years
- 💧 These new debt service costs will require additional rate adjustments
- 💧 DC Water must maintain a strong financial position and its bond ratings in order to borrow funds to finance the capital program



- Cash disbursements basis



## Coverage and PAYGO

- 💧 Coverage is a core financial metric that reflects the financial health of a utility and measures the funds that are available to pay debt service after operating costs are met
  - Funds representing excess coverage are used as PAYGO or cash to fund the capital program and reduce required borrowing
  - A reduction in PAYGO would require additional borrowing to cover capital budget expenditures for infrastructure improvements
- 💧 Coverage projections in the budget and the financial plan is consistent with recent results that have led to high bond ratings and lower borrowing costs for customers in DC
- 💧 Higher coverage indicates greater flexibility to tolerate financial stress from unexpected expenditures or a shortfall in revenues while still assuring repayment of debt
- 💧 The Trust Indenture requires coverage of 1.2X for senior bonds and 1.0X for subordinate coverage; Board Policy requires a minimum of 1.6X combined coverage
  - DC Water management policy of a maximum of 33% of revenues (one-third of every dollar) to be spent on debt; given the significant amount of debt to be added to the balance sheet over the next ten years this increases coverage
  - The Fitch ratings process in large part is determined by leverage – which measures a utility’s debt and other fixed obligations (net of certain balance sheet resources), relative to its annual cash flows available to service those obligations
    - A reduction in coverage from our current levels impacts the Fitch leverage calculation and could result in a ratings downgrade and an increase in borrowing costs that would put pressure on customer rates
- 💧 Maintaining this metric in the Financial Plan is deliberate and not arbitrary; it has been recognized by Rating Agencies as a financial strength and a reason that DC Water can borrow at low rates

Attachment C

DC Retail Water and Sewer Rates Committee

Proposed Revised FY 2025 – FY 2034 Financial Plan  
Action Item

**ACTION ITEM 1: Recommend Board Approval of the Revised FY 2025 – FY 2034 Financial Plan, including the revenue requirements to support the operating and capital budgets.**

## ACTION ITEM

### Proposed Revised Ten Year Financial Plan FY 2025 – FY 2034

Attached is a summary of the Revised 10-year Financial Plan, which is based on the following key assumptions for FY 2025 and FY 2026:

#### **Revised FY 2025**

- Operating receipts totaling \$951.86 million, an increase of \$36.99 million over FY 2024 funded through;
  - Retail Revenue – increase of \$15.59 million
  - Wholesale Revenue – increase of \$7.49 million
  - Other Revenue – increase of \$13.91 million
- Operating disbursements of \$754.15 million in FY 2025; and
- A ten-year capital improvement plan (FY 2025 – FY 2034) of \$9.62 billion on a cash disbursement basis.

#### **FY 2026**

- Operating receipts totaling \$1,011.38 million, an increase of \$59.52 million over FY 2025 funded through;
  - Retail Revenue – increase of \$49.11 million
  - Wholesale Revenue – increase of \$8.36 million
  - Other Revenue – increase of \$2.05 million
- Operating disbursements of \$807.23 million in FY 2026; and
- A ten-year capital improvement plan (FY 2025 – FY 2034) of \$9.62 billion on a cash disbursement basis.

The Revised FY 2025 – FY 2034 Financial Plan is projected to meet the Board's Statement of Financial Policies' requirement of combined debt service coverage of 160 percent and an operating reserve of 250 days of budgeted operations and maintenance costs, with a goal of increasing the target days of cash on hand gradually to 350 days by FY 2032 through the use of year-end surplus.

**District of Columbia Water & Sewer Authority**  
**FY 2025 – FY 2034 Financial Plan**  
*(In 000's)*

<b>OPERATING</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>	<b>FY 2029</b>	<b>FY 2030</b>	<b>FY 2031</b>	<b>FY 2032</b>	<b>FY 2033</b>
<i>Retail</i>	771,627	821,079	871,854	917,377	976,477	1,039,404	1,089,189	1,161,642	1,240,043
<i>Wholesale</i>	114,248	122,612	127,516	132,617	137,922	143,439	149,176	155,143	161,349
<i>Other</i>	63,988	67,694	75,568	89,706	91,147	86,094	79,859	78,620	79,372
<i>RSF</i>	2,000	0	-	-	-	-	-	-	-
Operating Receipts <sup>(1)</sup>	\$ 951,863	\$ 1,011,385	\$ 1,074,938	\$ 1,139,700	\$ 1,205,545	\$ 1,268,937	\$ 1,318,225	\$ 1,395,404	\$ 1,480,764
Operating Expenses	444,223	461,839	479,727	498,324	517,656	537,753	558,646	580,367	602,948
Debt Service	243,969	271,489	297,953	328,582	358,445	385,465	415,209	449,344	478,494
Cash Financed Capital Improvement	\$ 65,963	\$ 73,897	\$ 78,467	\$ 82,564	\$ 87,883	\$ 93,546	\$ 98,027	\$ 104,548	\$ 111,604
Net Revenues After Debt Service	\$ 197,709	\$ 204,159	\$ 218,791	\$ 230,231	\$ 241,562	\$ 252,172	\$ 246,342	\$ 261,145	\$ 287,718
Operating Reserve-Beg Balance	320,513	309,600	325,600	338,600	351,600	366,600	380,600	395,600	411,600
Other Misc (Disbursements)/Receipts									
Wholesale/Federal True Up	(24,813)	(18,910)	(12,900)	-	-	-	-	-	-
Project Billing Refunds	(2,000)	-	-	-	-	-	-	-	-
Transfers to RSF									
Pay-Go Financing	(192,573)	(173,849)	(195,895)	(217,289)	(226,586)	(238,197)	(231,369)	(245,174)	(271,249)
Operating Reserve - Ending Balance	\$ 298,836	\$ 320,999	\$ 335,596	\$ 351,542	\$ 366,576	\$ 380,575	\$ 395,573	\$ 411,571	\$ 428,069
Rate Stabilization Fund Balance RSF <sup>(2)</sup>	\$ 33,644	\$ 31,644	\$ 31,644	\$ 31,644	\$ 31,644	\$ 31,644	\$ 31,644	\$ 31,644	\$ 31,644
Senior Debt Service Coverage	855%	738%	665%	703%	696%	656%	682%	629%	635%
Combined Debt Service Coverage	207%	204%	203%	202%	199%	196%	189%	187%	189%
Actual/Projected Water/Sewer Rate Increases	8.00%	6.00%	7.00%	7.00%	7.50%	8.50%	9.50%	9.50%	9.50%
Operating Receipts \$ Increase/Decrease									
Retail	13,804	49,451	50,776	45,523	59,100	62,927	49,785	72,452	78,401
Wholesale	7,491	8,364	4,904	5,101	5,305	5,517	5,738	5,967	6,206
Operating Receipts % Increase/Decrease									
Retail	1.8%	6.4%	6.2%	5.2%	6.4%	6.4%	4.8%	6.7%	6.7%
Wholesale	7.0%	7.3%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%

<sup>(1)</sup> Includes interest earnings on senior lien revenue bonds' debt service reserve fund

<sup>(2)</sup> \$2.0 million withdrawal from Rate Stabilization Fund in FY2025 for new Payment Plan Incentive Program, leaving a balance of 33.644 million

**District of Columbia Water & Sewer Authority**  
**Average Residential Customer Monthly Bill**  
 FY 2024 - 2034

	Units	FY 2024	Current FY 2025	Approved FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034
DC Water Water and Sewer Retail Rates <sup>(1)</sup>	Ccf	\$ 89.03	\$ 95.93	\$ 101.77	\$ 108.89	\$ 116.52	\$ 125.29	\$ 135.92	\$ 148.82	\$ 162.94	\$ 178.44	\$ 194.52
DC Water Clean Rivers IAC <sup>(2)</sup>	ERU	21.86	21.23	24.23	26.99	28.28	31.13	32.73	29.37	29.40	29.41	28.37
DC Water Customer Metering Fee	5/8"	7.75	7.75	7.75	7.75	7.75	7.75	7.75	7.75	7.75	7.75	7.75
DC Water Water System Replacement Fee <sup>(4)</sup>	5/8"	6.30	6.30	6.30	6.30	6.30	6.30	6.30	6.30	6.30	6.30	6.30
<b>Subtotal DC Water Rates &amp; Charges</b>		<b>\$ 124.94</b>	<b>\$ 131.21</b>	<b>\$ 140.05</b>	<b>\$ 149.93</b>	<b>\$ 158.85</b>	<b>\$ 170.47</b>	<b>\$ 182.70</b>	<b>\$ 192.24</b>	<b>\$ 206.39</b>	<b>\$ 221.90</b>	<b>\$ 236.94</b>
<b>Increase / Decrease</b>		<b>\$ 6.68</b>	<b>\$ 6.27</b>	<b>\$ 8.84</b>	<b>\$ 9.88</b>	<b>\$ 8.92</b>	<b>\$ 11.62</b>	<b>\$ 12.23</b>	<b>\$ 9.54</b>	<b>\$ 14.15</b>	<b>\$ 15.51</b>	<b>\$ 15.04</b>
<b>Percent increase in Total Bill</b>		<b>5.6%</b>	<b>5.0%</b>	<b>6.7%</b>	<b>7.1%</b>	<b>5.9%</b>	<b>7.3%</b>	<b>7.2%</b>	<b>5.2%</b>	<b>7.4%</b>	<b>7.5%</b>	<b>6.8%</b>
District of Columbia PILOT Fee <sup>(1)</sup>	Ccf	3.31	3.31	3.36	3.41	3.47	3.52	3.58	3.63	3.69	3.74	3.79
District of Columbia Right-of-Way Fee <sup>(1)</sup>	Ccf	1.03	1.03	1.08	1.08	1.08	1.14	1.14	1.14	1.14	1.14	1.14
District of Columbia Right of Way / PILOT Fee		4.34	4.34	4.44	4.49	4.55	4.66	4.72	4.77	4.83	4.88	4.93
District of Columbia Stormwater Fee <sup>(3)</sup>	ERU	2.67	2.67	2.67	2.67	2.67	2.67	2.67	2.67	2.67	2.67	2.67
<b>Subtotal District of Columbia Charges</b>		<b>\$ 7.01</b>	<b>\$ 7.01</b>	<b>\$ 7.11</b>	<b>\$ 7.16</b>	<b>\$ 7.22</b>	<b>\$ 7.33</b>	<b>\$ 7.39</b>	<b>\$ 7.44</b>	<b>\$ 7.50</b>	<b>\$ 7.55</b>	<b>\$ 7.60</b>
<b>Total Amount Appearing on DC Water Bill</b>		<b>\$ 131.95</b>	<b>\$ 138.22</b>	<b>\$ 147.16</b>	<b>\$ 157.09</b>	<b>\$ 166.07</b>	<b>\$ 177.80</b>	<b>\$ 190.09</b>	<b>\$ 199.68</b>	<b>\$ 213.89</b>	<b>\$ 229.45</b>	<b>\$ 244.54</b>
<b>Increase / Decrease Over Prior Year</b>		<b>\$ 6.79</b>	<b>\$ 6.27</b>	<b>\$ 8.94</b>	<b>\$ 9.93</b>	<b>\$ 8.98</b>	<b>\$ 11.73</b>	<b>\$ 12.29</b>	<b>\$ 9.59</b>	<b>\$ 14.21</b>	<b>\$ 15.56</b>	<b>\$ 15.09</b>
<b>Percent increase in Total Bill</b>		<b>5.43%</b>	<b>4.75%</b>	<b>6.47%</b>	<b>6.7%</b>	<b>5.7%</b>	<b>7.1%</b>	<b>6.9%</b>	<b>5.0%</b>	<b>7.1%</b>	<b>7.3%</b>	<b>6.6%</b>

(1) Assumes average monthly consumption of 5.42 Ccf, or (4,054 gallons)

(2) Assumes average 1 Equivalent Residential Unit (ERU)

(3) District Department of Energy & Environment stormwater fee of \$2.67 effective November 1, 2010

(4) DC Water "Water System Replacement Fee" of \$6.30 for 5/8" meter size effective October 1, 2015



**Retail Rates, Charges and Fees  
FY 2025 - 2026**

	<b>Units</b>	<b>Current FY 2025</b>	<b>Approved FY 2026</b>
DC Water Retail Rates – Water:			
Residential – Lifeline (0- 4 Ccf)	Ccf	\$5.21	\$5.78
Residential – (> 4 Ccf)	Ccf	6.81	7.60
Multi-family	Ccf	5.82	6.47
Non-Residential	Ccf	7.03	7.84
DC Water Retail Rates – Sewer	Ccf	12.07	12.52
DC Water Clean Rivers IAC	ERU	21.23	24.23
DC Water Customer Metering Fee	5/8”	7.75	7.75
DC Water System Replacement Fee	5/8”	6.30	6.30
District of Columbia PILOT Fee	Ccf	0.61	0.62
District of Columbia Right of Way Fee	Ccf	0.19	0.20
District of Columbia Stormwater Fee	ERU	2.67	2.67

**Attachment D**

**FY 2025 Proposed RRC Committee Workplan**

Objective/Activities/Task	Date of Activity	Completed	Responsible Department
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<b>1. Propose and Establish Retail Rates for FY 2025 &amp; FY 2026</b>	Date of Activity	Completed	Responsible Department
<i>a. Present FY 25 &amp; FY 26 Budget to Board</i>	January 4, 2024	√	Rates and Revenue
<i>b. Present FY 25 &amp; FY 26 Proposed Rates, Fees &amp; Charges to RRC</i>	January 23, 2024	√	
<i>c. Independent Review of Rates- Presentation by Consultants</i>	February 27, 2024	√	
<i>d. RRC recommendation on Proposed FY 25 &amp; FY 26 Rates, Fees &amp; Charges</i>	February 27, 2024	√	Rates and Revenue
<i>e. Submit Independent Review of Proposed Rates and 2023 Cost of Service Study to Mayor and Council and post both on DC Water's website</i>	March 15, 2024	√	
<i>f. Board approves Notice of Proposed Rulemaking (NOPR) for Proposed FY 25 &amp; FY 26 Rates, Fees &amp; Charges</i>	March 7, 2024	√	
<i>g. Publish NOPR in D.C. Register for Proposed FY 25&amp; FY 26 Rates, Fees &amp; Charges</i>	March 22, 2024	√	DGLA
<i>h. Outreach and Public Comment Period</i>	March 22 - May 16, 2024	√	Marketing & Comm.
<i>i. Public Hearing</i>	May 9, 2024	√	
<i>j. Public Hearing Record Closes</i>	May 16, 2024	√	
<i>k. Submit Response to Public Comments report to Board and post on DC Water website and respond to OPC Comments, if applicable</i>	May 31, 2024	√	
<i>l. Present final FY 25 &amp; FY 26 Rates, Fees &amp; Charges to RRC for recommendation to Board</i>	June 25, 2024	√	Rates and Revenue
<i>m. Board approves Notice of Final Rulemaking (NOFR) for FY 25 &amp; FY 26 Rates, Charges &amp; Fees</i>	July 3, 2024	√	
<i>n. Publish NOFR in D.C. Register for Amended Rates, Fees &amp; Charges</i>	July 19, 2024	√	DGLA
<i>o. Amended Rates, Fees &amp; Charges Go-Live</i>	October 1, 2024 (FY '25) October 1, 2025 (FY '26)	√	Customer Care

<b>2. Establish new DC Water's Customer Assistance Program, CAP Plus (CAP+)</b>	Date of Activity	Completed	Responsible Department
<i>a. RRC recommend proposal to Amend regulations to add new Customer Assistance Program, CAP Plus (CAP+)</i>	February 27, 2024	√	Rates and Revenue
<i>b. Board approves Notice of Proposed Rulemaking (NOPR) for new CAP+</i>	March 7, 2024	√	
<i>c. Publish NOPR in D.C. Register for Proposed new CAP+</i>	March 22, 2024	√	DGLA
<i>d. Outreach and Public Comment Period</i>	March 22 - May 16, 2024	√	Marketing & Comm.

**Attachment D**

<b>2. Establish new DC Water’s Customer Assistance Program, CAP Plus (CAP+)</b>	Date of Activity	Completed	Responsible Department
<i>e. Public Hearing</i>	May 9, 2024	√	Rates and Revenue
<i>f. Public Hearing Record Closes</i>	May 16, 2024	√	
<i>g. Submit Response to Public Comments report to Board and post on DC Water website and respond to OPC Comments, if applicable</i>	May 31, 2024	√	
<i>h. Present final new CAP+ to RRC for recommendation to Board</i>	June 25, 2024	√	
<i>i. Board approves Notice of Final Rulemaking (NOFR) for new CAP+</i>	July 3, 2024	√	DGLA
<i>j. Publish NOFR in D.C. Register for new CAP+</i>	July 19, 2024	√	
<i>k. New CAP+ – Go Live</i>	October 1, 2024	√	Customer Care

<b>3. Fire Protection Service Fee for FY 2025, FY 2026, and FY 2027</b>			
<i>a. RRC recommend proposal for Fire Protection Service Fee</i>	April 23, 2024	√	Rates and Revenue
<i>b. Board approval of Notice of Proposed Rulemaking (NOPR)</i>	May 2, 2024	√	DGLA Marketing & Comm.
<i>c. Publish NOPR in D.C Register</i>	May 17, 2024	√	
<i>d. Public Comment and Outreach</i>	May 17 – June 16, 2024	√	Rates and Revenue
<i>e. Presentation of Final Proposal of Fire Protection Service Fee to RRC</i>	June 25, 2024	√	
<i>f. Board approval of Notice of Final Rulemaking (NOFR)</i>	July 3, 2024	√	DGLA Rates & Revenue
<i>g. Publish NOFR in D.C. Register</i>	July 19, 2024	√	
<i>h. Fire Protection Service Fee Go-Live</i>	October 1, 2024	√	

<b>4. FY 2025 Revised and FY 2026 Proposed Revenue Budget and Financial Plan</b>			
<i>a. Present FY 25 Revised &amp; Proposed FY 26 Revenue Budget and Financial Plan to Board in DC Water Budget Workshop</i>	January 13, 2025	√	Rates and Revenue
<i>b. Present FY 25 Revised &amp; Proposed FY 26 Revenue Budget and Financial Plan to Joint RRC and F&amp;B Committees</i>	January 28, 2025	√	Rates and Revenue
<i>c. RRC recommendation on FY 25 Revised &amp; Proposed FY 26 Revenue Budget and Financial Plan to Board for approval</i>	February 24, 2025		Rates and Revenue
<i>d. Board approves FY 25 Revised &amp; Proposed FY 26 Revenue Budget and Financial Plan</i>	March 6, 2025		

<b>5. 2025 Potomac Interceptor Cost of Service Study (FY 2026 – FY 2028)</b>			
<i>a. Present 2025 Potomac Interceptor Cost of Service Study for FY 2026 – FY 2028 rates to RRC</i>	April 22, 2025		Rates & Revenue

## Attachment D

<b>6. 2025 Cost of Service Study to Establish Miscellaneous Fees and Charges</b>			
<i>a. Present COS Update and Proposed Amendments to Miscellaneous Fees &amp; Charges for RRC Recommendation</i>	April 22, 2025		Rates & Revenue
<i>b. Board Approval of Notice of Proposed Rulemaking (NOPR) for Miscellaneous Fees &amp; Charges</i>	May 1, 2025		Board of Directors
<i>c. Publish NOPR in DC Register</i>	May 16, 2025		DGLA
<i>d. Public Comment period</i>	May 16 – June 16, 2025		Marketing & Comm.
<i>e. RRC Final Recommendation to Approve Amendments for Miscellaneous Fees &amp; Charges</i>	June 24, 2025		Rates & Revenue/ Customer Care
<i>f. Board Approval of Notice of Final Rulemaking (NOFR)</i>	July 3, 2025		Board of Directors
<i>g. Publish NOFR in DC Register</i>	July 18, 2025		DGLA
<i>h. Miscellaneous Fees &amp; Charges including Engineering and Permitting Fees Go-Live</i>	October 1, 2025		Rates & Revenue/ Customer Care

<b>7. 2025 COS for Water, Sewer and CRIAC</b>			
<i>a. Present 2025 Cost of Service Study for Water, Sewer and CRIAC to RRC</i>	January 26, 2026		Rates and Revenue
<i>b. Post Final COS on DC Water's website</i>	TBD		

<b>8. Delinquent Accounts</b>			
<i>a. Soldiers Home Negotiations</i>	Monthly, as needed		DGLA



**Attachment E**

**D.C. WATER AND SEWER AUTHORITY  
BOARD OF DIRECTORS  
RETAIL WATER & SEWER RATES  
COMMITTEE MEETING**

**Thursday, March 25, 2025; 9:30 a.m.  
AGENDA**

<b>Call to Order</b>	Committee Chairman
<b>Monthly Updates</b>	Chief Financial Officer
<b>Committee Workplan</b>	Chief Financial Officer
<b>Agenda for April 22, 2025 Committee Meeting</b>	Committee Chairman
<b>Other Business</b>	Chief Financial Officer
<b>Adjournment</b>	

\*Detailed agenda can be found on DC Water's website at [www.dewater.com/about/board\\_agendas.cfm](http://www.dewater.com/about/board_agendas.cfm)